that Government of Orissa has on 1-11-1991 entered into a Memorandum of Understanding with Dr. Swraj Paul of Caparo Group to set up an integrated steel plant in Orissa. The new Industrial Policy announced in July, 1991 has removed "Iron & Steel" from the list of industries reserved for the public sector and also exempted it from the requirements of compulsory licensing. Entrepreneurs are free to set up units of any capacity provided that the location is not within 25 Kms of a city having a population of more than 10 lakhs as per the 1991 census.

Establishment of Mini Steel Plants

2641. SHRI SURENDRA SINGH THAKUR: Will the Minister of PATEEL be pleased to state:

(a) whether it is a fact *that* the mini steel plants are proposed to be established in the iron ore rich area like Baster etc;

(b) if reply to (a) be in affirmative, what steps Government have taken for the development of industries based on iron ore in the iron ore rich areas which are still industrially backward:

(c) whether Government propose to open the avenues for private sector for better and cheaper products and industrial development of these areas; and

(d) if so, the manner in which Government propose to enlist the cooperation of private sector in these areas?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SANTOSH MOHAN DEV): (a) to (d) A number of sponge iron and pig iron plants are under implementation or proposed to be implemented in or around the iron ore rich areas of Madhya Pradesh. The new Industrial Policy announced in July, 1991 has removed 'Iron and Steel' from the list of industries reserved for the public sector and also exempted it from the requirements of compulsory licensing under the Industries (D&R) Act 1951. Ferro alloys, Pig Iron and bponge Iron and Pelletisation have also been included in the list of high priority industries where automatic approval will be given for investment upto 51 per cent foreign equity if the foreign equity covers the foreign exchange requirement for import of capital goods. Private entrepreneurs are now free to set up iron and steel plants of any capacity. Government approval is required only if the plant is proposed to be located within 25km from the periphery of the standard urban area limits of a city having a population of more than 10 lakhs according to the 1991 census.

As regards the development of backward areas, Government have announced a scheme in June, 1988 for setting up growth centres for promoting industrialisation of backward areas. 70 such growth centres are proposed to be set up during the VIII Plan period. Each growth centre will have basic infrastructural facilities for which Rs. 25 to 30 crores will be provided jointly by the Central Government, State Governments and Financial Institutions. Madhya Pradesh has been allotted six such growth centres, one of which would be set up in the iron ore rich area at Borai in district Durg.

Indian Iron Steel Company

2642. DR. SANJAY A SINH: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that the Burnpuvr Works of the Indian Iron and Steel Company is expected to earn a net profit of about Rs. 4 crore by the end of the current financial year;

(b) if so, what are the details in this regard;

(c) whether the Burnpur Works of the Indian Iron and Steel Company are also proposed to be modernised;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SANTOSH MOHAN DEV): (a) and (b) Yes, Sir. Though the financial year is yet to close and accounts yet to be finalised, it is likely that the Burnpur Steel Works of IISCO would make a net profit of Rs. 4 crores instead of a budgeted loss of about Rs. 60 crores, in 1991-92. This is due to improved techno-economic parameters of production, emphasis laid on production of value-added items and higher-than-anticipated sales realisation etc.;

(c) and (d) The Burnpur Steel Works are proposed to be modernised at an estimated cost of Rs. 6520 cro res (inclusive of a F.E. component of Rs. 1565 crores in a period of

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years from the date of Government's approval for the project. The project is aimed at upgrading the technology increasing volume of production, effecting a change in product mix in favour of value-added items, improving techno-economics of operation, reducing costs, etc. The PIB's approval has since been obtained to the proposal. However, the possibilities of private participation in financing the modernisation project are being explored by SAIL, under the profession al consultancy services of SBI Capital Markets Limited. Approval for the project is expected to be available before June, 1992.

(e) Does not arise.

अनुषंगी (सेकेन्डरी) इस्पात क्षेत्र में उत्पादन

2643. **श्री रणजीत सिंह :**
श्री राम जेठमलानी :

क्या इस्पात मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार का ध्यान दिनांक 9 फरवरी, 1992 के फाइनेंसिएल एक्सप्रेस में "स्टील आउटपुट टु फॉल शार्ट बाई वन मिलियन टन" शीर्षक से छपे समाचार की ओर दिलाया गया है, यदि हां, तो क्या यह सच है कि वर्ष 1990–91 में अनुषंगी इस्पात क्षेत्र का इस्पात उत्पादन 37.2 लाख मीटरी टन था ;

(ख) क्या यह भी सच है कि औद्योगिक स्रोतों के अनुसार चालू वित्तीय वर्ष के दौरान इस उत्पादन के दस लाख मीटरी टन कम हो जाने की सम्भावना है, यदि हां, तो इस सम्बन्ध में सरकार का आकलन क्या है ;

(ग) क्या यह सच है कि इस्पात उत्पादन के लिए स्क्रैप के आयात में कमी के कारण उत्पादन में गिरावट आई है, यदि हां, तो दिसम्बर, 1991 तक मेटल स्क्रैप ट्रेडिंग कारपोरेशन द्वारा स्क्रैप की कितनी मात्रा का आयात किया गया था ; और

(घ) क्या यह भी सच है कि सरकार ने स्क्रैप के आयात के लिए 450 करोड़ रुपए का आवंटन किया है और यदि हां, तो इतनी कम मात्रा में स्क्रैप का आयात किए जाने के क्या कारण हैं ?

इस्पात मंत्रालय के राज्य मंत्री (श्री सन्तोष मोहन देव) : (क) जी, हां । वर्ष 1990-91 में गौण इस्पात क्षेत्र में विद्युत चाप भट्टी इकाइयों से लगभग 38.7 लाख मी० टन अपरिष्कृत इस्पात के उत्पादन का अनुमान लगाया गया था ।

(ख) और (ग) निर्बाध विदेशी मुद्रा की उपलब्धता में हुई कमी तथा आयातित स्क्रैप के उच्च मूल्य के कारण स्क्रैप के आयात में गिरावट से वर्ष 1991-92 के दौरान विद्युत चाप भट्टी इकाइयों में अपरिष्कृत इस्पात का उत्पादन 30 लाख टन से कम होने की संभावना है ।

दिसम्बर, 1991 तक मेटल स्क्रैप ट्रेड कारपोरेशन द्वारा आयातित स्क्रैप की मात्रा लगभग 2 लाख टन थी ।

(घ) वर्ष 1991-92 के दौरान स्क्रैप के आयात के लिए मेटल स्क्रैप ट्रेड कारपोरेशन को 450 करोड़ रुपये के मूल्य की निर्बाध विदेशी मुद्रा आवंटित की